

Kennecott Barneys Canyon Mining Company,

8200 South 9600 West

P.O. Box 311

Bingham Canyon, UT 84006-0311

(801) 569-7000

FAX (801) 569-7190

M/035/009

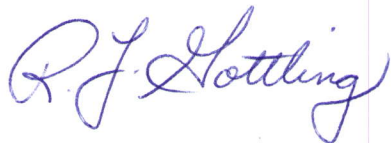
January 21, 2000

D. Wayne Hedberg
Permit Supervisor
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple – Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Dear Mr. Hedberg:

Attached please find the annual report of mining operations as requested in your letter of December 21, 1999.

If you require further information, please give me a call at (801) 569-7110.



R.J. Gottling
Operations Manager
Barneys Canyon Mine
8200 South 9600 West
P.O. Box 311
Bingham Canyon, Utah 84006-0311

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JAN 26 2000
DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple – Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

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DIVISION OF
OIL, GAS AND MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/99 To (mo./yr.) 1/00
2. DOGM File Number (Mine No.): M/035/009
3. Mine Name: Barneys Canyon Mine
4. Mineral(s) Mined (or permitted to mine): Gold
5. Type of mine: X Surface Mine or Underground Mine
6. Legal Description, (Location of Lands Affected):
Section 36 Township 2S, Range 3W
Sections 1,2,3,10,& 11 Township 3S, Range 2W
Sections 5,6,31, & 32 Township 3S, Range 2W
7. Name of Operator or Company: Kennecott Barneys Canyon Mining Co.
8. Permanent Street Address: P.O. Box 311, 8200 So 9600 W
City, State, Zip: Bingham Canyon, Utah 84006-0311
Phone: (801) 569-7110 Fax: (801) 569-7190
9. Company Representative (or designated operator):
Name: R.J. Gottling
Title: Operations Manger
Business Address: P.O. Box 311
City, State, Zip: Bingham Canyon, UT 84006-0311
Phone: (801) 569-7110

X Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes X No
2. If no – what was the last year of activity?
3. If yes – how much ore or mineral was mined? 2.5 M Tons

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
A total of 20.0 M Tons was mined from the Melco pit. Most of the waste was placed in the Barneys Canyon drainage (north dumps), with a relatively small tonnage of waste placed in the Dry Fork drainage (south dumps).
5. How much **additional acreage** was disturbed during the past year? 25.4 acres
6. How much acreage was **reclaimed** during the past year? None
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.____
No new reclamation took place in 1999
7. What is the **total disturbed acreage of entire project** at year's end? 1086.2 acres.
8. Briefly summarize any mining and/or reclamation plans for the upcoming year.
Mining activity for the year 2000 is budgeted at 11.2 M Tons.
Reclamation budgeted for 2000 is 82.5 acres.

NOTE: Section III., "Additional Information" applies only to **large mining operations.**

III. Additional Information

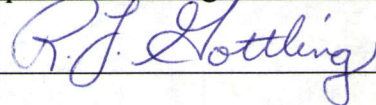
1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be submitted.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): R. J. Gottling

Title of Operator: Operations Manager

Signature of Operator: 

Date: January 21, 2000